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# State of Alabama Department of Revenue

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## ALABAMA DEPARTMENT OF REVENUE FAVORED GEOGRAPHIC AREAS

are defined by law (Section 40-18-190(5), Code of Alabama 1975), as either of the following:

a. **State Enterprise Zones** (as defined by the Alabama Enterprise Zone Act, including parts of 25 counties and parts of 3 cities).

b. **Less Developed Counties.** The Department of Industrial Relations (DIR) determines these counties, based on three criteria in the law: percent change in population over the most recent 5-year period, personal per capita income in the last calendar year, and average percent employed over the last 12 months. DIR must re-determine Less Developed Counties every year on January 1.

## FAVORED GEOGRAPHIC AREAS

For Alabama Income Tax Capital Credit  
January 1, 2007 – December 31, 2007

| County             | Rank | Area                  |
|--------------------|------|-----------------------|
| Barbour County     | 52   | Entire county*        |
| Bullock County     | 67   | Entire county*        |
| Butler County      | 50   | Entire county*        |
| Chambers County    | 51   | Entire county         |
| Cherokee County    | EZ   | Enterprise Zones only |
| Choctaw County     | 61   | entire county         |
| City of Birmingham | EZ   | Enterprise Zones only |
| City of Montgomery | EZ   | Enterprise Zones only |
| City of Prichard   | EZ   | Enterprise Zones only |
| Clarke County      | 54   | entire county*        |
| Clay County        | EZ   | Enterprise Zones only |
| Conecuh County     | 58   | entire county         |
| Coosa County       | 60   | entire county         |
| Covington County   | EZ   | Enterprise Zones only |
| Dallas County      | 63   | entire county*        |
| Escambia County    | 47   | entire county*        |
| Etowah County      | EZ   | Enterprise Zones only |
| Greene County      | 56   | entire county         |
| Hale County        | 45   | entire county         |
|                    |      |                       |

| County            | Rank | Area                  |
|-------------------|------|-----------------------|
| Jackson County    | EZ   | Enterprise Zones only |
| Lamar County      | 54   | entire county         |
| Lawrence County   | EZ   | Enterprise Zones only |
| Lowndes County    | 64   | entire county*        |
| Macon County      | 57   | entire county*        |
| Mobile County     | EZ   | Enterprise Zones only |
| Monroe County     | 53   | entire county*        |
| Perry County      | 65   | entire county*        |
| Pickens County    | 49   | entire county*        |
| Pike County       | EZ   | Enterprise Zones only |
| Randolph County   | EZ   | Enterprise Zones only |
| Russell County    | 47   | entire county*        |
| Sumter County     | 66   | entire county*        |
| Talladega County  | EZ   | Enterprise Zones only |
| Tallapoosa County | EZ   | Enterprise Zones only |
| Washington County | 59   | entire county         |
| Wilcox County     | 62   | entire county*        |
| Winston County    | 46   | entire county         |
|                   |      |                       |

\* Some areas in some counties meet both criteria for “favored geographic areas.” The counties are “less developed” as determined by DIR, plus, the counties contain Enterprise Zones. For these counties, the “less developed” condition allows broader access to the income tax capital credit because companies anywhere in the county can use the lower thresholds for investment (\$500,000) and new employees (5) in qualifying for the credit.